

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

- - - - - X
PETER BEARD STUDIO, LLC, :
 : 07 Civ. 3184 (LLS)
Plaintiff, :
 :
v. : DECLARATION
 :
LUCA GIUSSANI and ARNE ZIMMERMAN, :
 :
Defendants. :
- - - - - X

Arne Zimmermann declares as follows:

1. I am an art dealer and collector, and was named as a defendant in this action. At the recent court conference, the parties stipulated to discontinue the action as against me. I submit this affidavit based upon my personal knowledge.

2. As I explained to the Court on Monday, I will be in Europe on business during the week of the preliminary injunction hearing in this case, and will not be able to give live testimony. Therefore, I am submitting this affidavit to explain my limited involvement in this matter.

3. I have for many years greatly admired the artist Peter Beard and own a number of his works in my personal collection. Also, as an art dealer, a number of my customers are Beard

collectors. I follow his market closely and am very familiar with his works.

4. I am subscribed to a website called smallworld.net, which brings together an elite international group of people for exchanging ideas, information and contacts. Earlier this spring, defendant Luca Giussani made it known on smallworld.net that he was offering for sale a large Peter Beard work. The work was posted with a photo and a price of 80.000 US\$. I was immediately interested.

5. In response to my inquiry, Mr. Giussani described the piece and his price seemed consistent, but on the high end, with what I know to be the price range for Beard artworks of that size and type. Mr. Giussani otherwise seemed very knowledgeable about Beard's work. In the course of our communications, I referenced the recent auction of a Beard piece last Fall, which sold for approximately \$96,000 and he knew about it.

6. On Tuesday, March 27, 2007, Mr. Giussani sent me several photographs of the piece by email, with the work's dimensions. His email and a photograph are attached as Exhibit A.

7. After negotiations Mr. Giussani reduced his price to \$45,000, saying that was the lowest he could go. The price seemed very fair to me and I wanted the piece for my private collection therefore I agreed to buy it. Also I felt that Mr. Guissani is a

honest and reliable person that is why I did not have any concerns.

8. I agreed to wire immediately 15.000 US\$ in his account to secure our deal and to pay the balance upon receiving the piece by personal check or cashier check. I asked him to ship the piece careful. He explained that the piece would be rolled, but that this had been done before, as the piece had been rolled to be shipped to Milan, and rolled again when it was shipped from Milan to Miami.

9. Mr. Giussani sent me the sales certificate, attached as Exhibit B, which states among other things, that the piece is a silver gelatin print by Peter Beard.

10. At approximately 3:00 P.M. on Monday, April 16, 2007, a woman named Eha, whom Mr. Giussani had described to me as his girlfriend, arrived at my gallery with the artwork.

11. When I unrolled the piece, I was dismayed to discover that the piece was printed on RC paper, not silver gelatin as Mr. Giussani had stated on the sale certificate. In my personal opinion a RC print is lower quality then a Silver Gelatin print and I do not collect RC prints by Peter Beard. Also in my opinion a RC print is worth significantly less than a silver gelatin print, which means I had agreed to too high a price for the work.

12. I addition I saw that the print was strangely pixilated. I had never before seen a print like this by Peter Beard. When I

expressed my concerns, Eha telephoned Mr. Giussani, who explained that Beard's works are often pixilated because a lot of his negatives were destroyed in a fire. I had, of course, heard about the fire, but even so, I have never seen a print like this one among Beard's works.

13. I told Mr. Giussani about my misgivings, nevertheless, I felt I had to follow through on our agreement, so I gave Eha a check for \$30,000, and she left the piece with me.

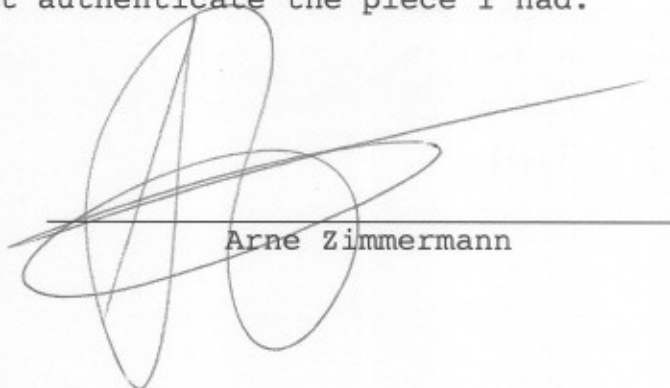
14. The more I looked at the piece, the stranger I found it to be. Since I work a lot with Nejma Beard, I called her at the Peter Beard studio to ask her opinion on the piece. She was not sure about the piece and promised me to come by and look at it in the near future.

15. Soon after that, I called Mr. Giussani to let him know I would call the bank and would put a stop payment on my check, since I did not feel any longer comfortable with the purchase. He agreed. I did call my bank after I called Mr. Giussani and stopped the check.

16. I later spoke to Mr. Giussani, who dismissed Mrs. Beard's concerns, claiming that the best person to authenticate the work would be Peter Beard. He said that also Mr. Peter Tunney could possibly authenticate the piece. Mr. Giussani called me back with Mr. Tunney's cell phone number half an hour later.

17. I reached Mr. Tunney later that same day. He said he was on the way to the airport. He told me that he agreed with Peter Beard when they split ways in 2001 not to get involved in his works and that he would not authenticate the piece I had.

Dated: New York, New York
May 3, 2007



Arne Zimmermann

EXHIBIT A

From: Luca Giussani <lgiussani@dorial.com>

Date: Tue, 27 Mar 2007 09:47:25 -0400

To: arne zimmermann <azimmermann@kastnernetnetwork.us>

Subject: Re: Peter Beard (1)

Dear Arne:

I am sending you hereby attached a few picture in high resolution of the Peter Beard.

You will receive several mail each one with a picture.

The measurements are: 44 X 64.5 Inches; 112 X 164 Cm.

Thank you very much for your enquiry.

Sincerely,

Luca Giussani, President

Dorial Management, LLC.

Miami Beach, Florida (USA)

+ 1 305 673 9811 Land

+ 1 786 206 0357 VoIP

+ 1 305 467 7737 Cell

+ 1 305 674 9739 Fax

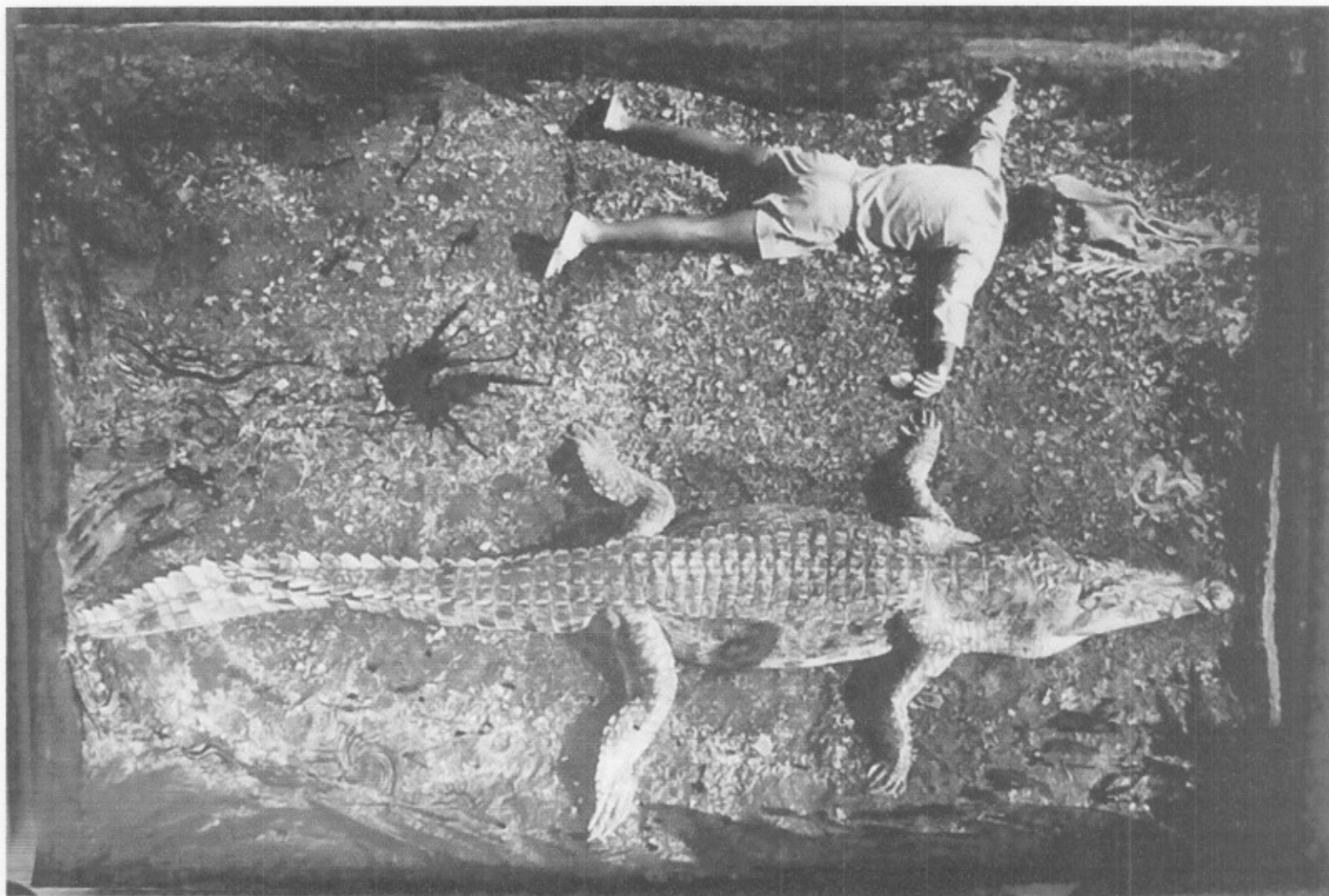
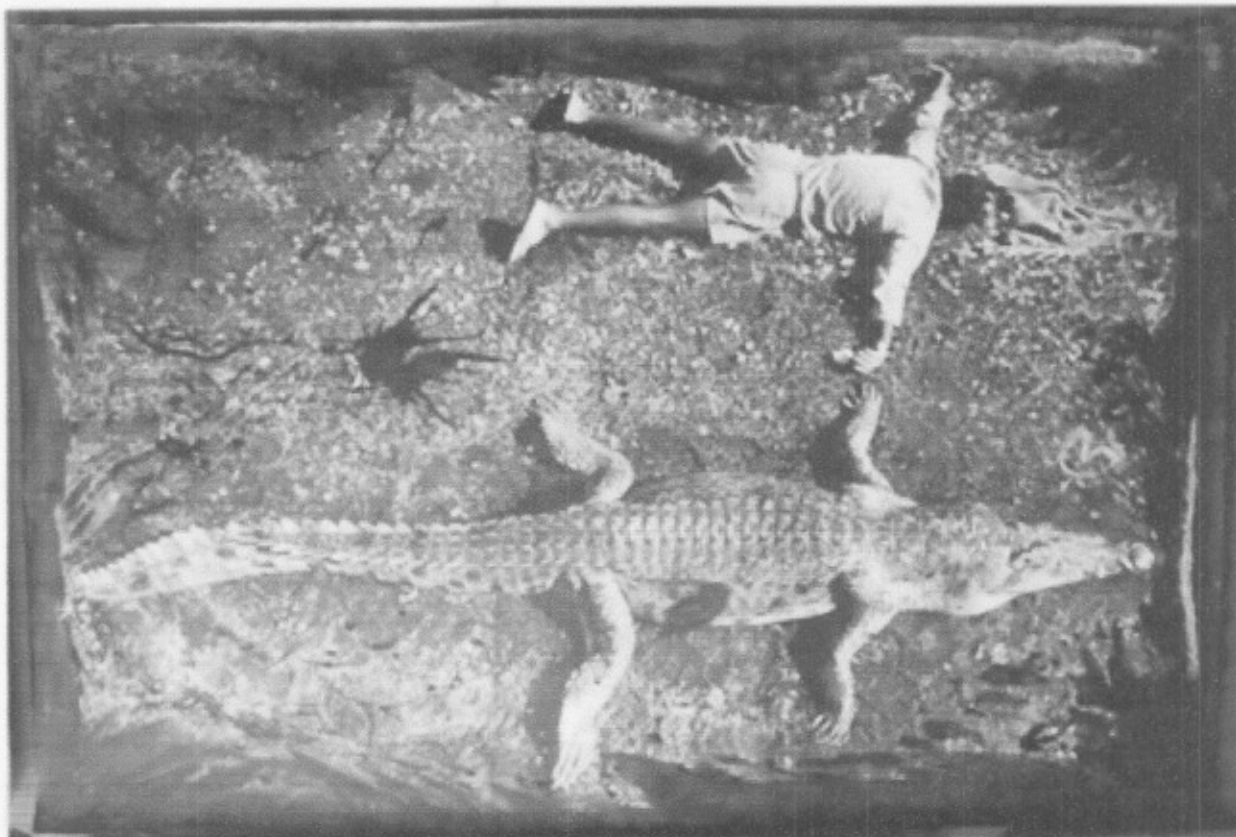


EXHIBIT B

SALE CERTIFICATE



Peter Beard

"Man with Crocodile"

Gelatin Silver Print with Ink and Blood Work and Snake Skins Collages, Signed and Dated.
44 X 64.5 Inches; 112 X 164 Cm.

Purchased by Seller in Italy from a Private Collector friend of Peter Beard during 1998.

Selling price: US \$ 45,000 (fortyfive thousand)

Selling Date: April 4th, 2007

Buyer:

Arne Zimmermann
84 Franklin St.
New York, NY 10013
azimmermann@kastnernetnetwork.us

Seller:

Luca Giussani
305 West Dilido Drive
Miami Beach, FL 33139
lgiussani@dorial.com